

INSURANCE REGULATORY TRUST FUND

State Investment Board Balance Sheet As of 8/31/2008

	As of <u>8-31-08</u>	As of <u>6-30-08</u>
ASSETS:		
INVESTMENTS (AT MARKET)		
DOMESTIC EQUITIES	\$ 820,491	\$ 769,354
INTERNATIONAL EQUITIES	396,814	381,749
DOMESTIC FIXED INCOME	1,413,275	1,457,427
INVESTED CASH (NOTE 1)	<u>1,421,084</u>	<u>1,471,935</u>
TOTAL INVESTMENTS	4,051,664	4,080,465
RECEIVABLES		
DIVIDEND/INTEREST RECEIVABLE	8,056	6,961
MISCELLANEOUS RECEIVABLE	<u>3</u>	<u>6</u>
TOTAL RECEIVABLES	8,059	6,967
OTHER ASSETS		
INVESTED SECURITIES LENDING COLLATERAL (NOTE 2)	84,775	84,775
OPERATING CASH	<u>72</u>	<u>136</u>
TOTAL ASSETS	<u>\$ 4,144,570</u>	<u>\$ 4,172,343</u>
LIABILITIES:		
SECURITIES LENDING COLLATERAL (NOTE 2)	84,775	84,775
ACCOUNTS PAYABLE	16	28
ACCRUED EXPENSES	34	30
INVESTMENT EXPENSE PAYABLE	<u>4,363</u>	<u>4,363</u>
TOTAL LIABILITIES	89,188	89,196
NET ASSETS AVAILABLE:		
NET ASSETS AVAILABLE BEGIN OF YEAR	4,083,147	3,982,228
CASH IN DURING YEAR (NOTE 3)	0	3,500,000
CASH OUT DURING YEAR (NOTE 4)	0	3,350,000
NET INCREASE (DECREASE)	<u>(27,765)</u>	<u>(49,081)</u>
NET ASSETS AVAILABLE END OF PERIOD	<u>4,055,382</u>	<u>4,083,147</u>
TOTAL LIABILITIES & NET ASSETS AVAILABLE	<u>\$ 4,144,570</u>	<u>\$ 4,172,343</u>

INSURANCE REGULATORY TRUST FUND

State Investment Board Profit and Loss Statement For the Month Ended 8/31/2008

	Month Ended <u>8-31-08</u>	<u>Year-to-Date</u>
ADDITIONS:		
INVESTMENT INCOME		
INTEREST/DIVIDEND INCOME	\$ 11,149	\$ 21,922
SECURITIES LENDING INCOME	210	418
	<u>11,359</u>	<u>22,340</u>
 GAIN ON SALE OF INVESTMENTS	 44,825	 84,967
LOSS ON SALE OF INVESTMENTS	<u>43,638</u>	<u>90,116</u>
 NET GAINS (LOSSES) INVESTMENTS	 1,187	 (5,149)
 INVESTMENT EXPENSES	 927	 4,346
SECURITIES LENDING EXPENSES	151	291
 NET INVESTMENT INCOME	 11,468	 12,554
 NET APPREC (DEPREC) MARKET VALUE	 (5,363)	 (40,830)
MISCELLANEOUS INCOME/(EXPENSE)	<u>596</u>	<u>575</u>
 TOTAL INVESTMENT INCOME	 <u>6,701</u>	 <u>(27,701)</u>
 DEDUCTIONS:		
ADMINISTRATIVE EXPENSES	32	64
 NET INCREASE (DECREASE)	 <u>\$ 6,669</u>	 <u>\$ (27,765)</u>

INSURANCE REGULATORY TRUST FUND

State Investment Board SUPPLEMENTARY INFORMATION As of 8/31/2008

	As of <u>8/31/08</u>
ASSETS:	
INVESTMENTS (AT COST)	
LARGE CAP EQUITY	630,502
SMALL CAP EQUITY	239,090
TOTAL DOMESTIC EQUITIES	<u>869,592</u>
INTERNATIONAL EQUITY	514,727
FIXED INCOME	1,419,243
INVESTED CASH (NOTE 1)	<u>1,421,084</u>
TOTAL INVESTMENTS (AT COST)	<u><u>\$4,224,646</u></u>

INSURANCE REGULATORY TRUST FUND
Notes To Financial Statements
August 31, 2008

The following notes to financial statements are intended to provide general descriptions of line items in the financial statements.

NOTE 1 **INVESTED CASH**

Cash invested in a money market demand account at the Bank of North Dakota.

NOTE 2 **SECURITIES LENDING COLLATERAL**

Securities are loaned versus collateral that may include cash, U.S. government securities and irrevocable letters of credit. U.S. securities are loaned versus collateral valued at 102% of the market value of the securities plus any interest. Non-U.S. securities are loaned versus collateral valued at 105% of the market value of the securities plus any accrued interest. Non-cash collateral cannot be pledged or sold unless the borrower defaults. Cash open collateral is invested in a short term investment pool.

NOTE 3 **CASH IN DURING YEAR**

Cash transferred into investment accounts at The Northern Trust during the current fiscal year.

NOTE 4 **CASH OUT DURING YEAR**

Cash transferred out of investment accounts at The Northern Trust during the current fiscal year.